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82M/4w  
823720

**REA GOLD CORPORATION**  
TICKER SYMBOLS REO.V, REO.T, NASDAQ-REOGF

September 2 1987

**P R E S S   R E L E A S E**

The Company is pleased to announce that Wright Engineers Ltd. have been engaged and work has started to develop a process for the extraction and recovery of metals from the Company's 100% owned Discovery Zone at Adams Lake, B.C. The reserves, which contain arsenopyrite, have been estimated by Steffen, Robertson and Kirsten (B.C.) Inc. to be 266,000 tons containing 0.19 oz gold/ton based on a 0.05 oz gold/ton cut off. At present metal prices these reserves have a gross potential value of \$45,000,000 (Cdn) but, unlike the mineralization which occurs within the Silver Zone, (located 1,000 meters east) the Discovery Zone reserves are not amenable to the conventional physical methods used to produce saleable concentrates economically.

The present work involves chemical methods and the Company is confident that an economic process will be developed in the near future.

ON BEHALF OF THE BOARD

LARRY W. REAUGH  
PRESIDENT

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.